



Senate

General Assembly

File No. 273

February Session, 2012

Substitute Senate Bill No. 255

Senate, April 5, 2012

The Committee on Government Administration and Elections reported through SEN. SLOSSBERG of the 14th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING REVISIONS TO STATUTES CONCERNING THE COMPTROLLER.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 3-115e of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):

3 The State Comptroller shall report not later than October 1, 2012, [on
4 an annual basis] and every two years thereafter, to the Governor and
5 the General Assembly, in accordance with the provisions of section 11-
6 4a, on the CORE-CT system. Such reports shall include, but not be
7 limited to, the status of the [implementation of the] system, [the
8 anticipated completion date,] the total cost to date and projected costs
9 for the next three fiscal years, other required software or hardware,
10 [necessary for successful implementation and any associated costs,] the
11 date and costs of future upgrades, the level of cooperation from
12 vendors and state agencies [, any administrative or legislative obstacles
13 to implementation,] and any other issues surrounding the CORE-CT

14 system.

15 Sec. 2. Section 4-36 of the general statutes is repealed and the
16 following is substituted in lieu thereof (*Effective July 1, 2012*):

17 Each state agency shall establish and keep an inventory account in
18 the form prescribed by the Comptroller, and shall, annually, on or
19 before October first, transmit to the Comptroller a detailed inventory,
20 as of June thirtieth, of all of the following property owned by the state
21 and in the custody of such agency: (1) Real property, and (2) personal
22 property having a value of [one] five thousand dollars or more. For
23 audit purposes, each state agency shall establish and keep a list of
24 personal property having a value of less than [one] five thousand
25 dollars and defined as "controllable property" in the property control
26 manual published by the Comptroller.

27 Sec. 3. Subsection (d) of section 4-158 of the general statutes is
28 repealed and the following is substituted in lieu thereof (*Effective July*
29 *1, 2012*):

30 (d) If the Claims Commissioner orders immediate payment of a just
31 claim in an amount not exceeding seven thousand five hundred dollars
32 pursuant to subdivision (2) of subsection (a) of this section and a
33 request for review is not timely filed pursuant to subsection (b) of this
34 section, the Office of the Claims Commissioner shall deliver to the
35 [Comptroller] Department of Administrative Services a certified copy
36 of the Claims Commissioner's order and the [Comptroller] Department
37 of Administrative Services shall make payment from such
38 appropriation as the General Assembly may have made for the
39 payment of claims or, in the case of contractual claims for goods or
40 services furnished or for property leased, from the appropriation of the
41 agency [which] that received such goods or services or occupied such
42 property.

43 Sec. 4. Section 4a-20 of the general statutes is repealed and the
44 following is substituted in lieu thereof (*Effective from passage*):

45 The State Insurance and Risk Management Board shall determine
46 the method by which the state shall insure itself against losses by the
47 purchase of insurance governed by the provisions of title 38a to obtain
48 the broadest coverage at the most reasonable cost. It shall direct the
49 negotiations for purchase of such insurance and determine whether
50 deductible or other risk retention provisions should be included in the
51 insurance contract. Wherever appropriate it shall determine that the
52 state shall act as a self-insurer and may request funds from the
53 contingency fund to establish reserves and carry out such practices as
54 are necessary to safeguard the self-insurance activity. Said board may
55 develop and implement risk management and loss prevention
56 programs related to insurance plans established pursuant to the
57 provisions of sections 4a-19 to 4a-21, inclusive, and may recommend to
58 the Governor and the General Assembly the enactment of policies
59 designed to reduce risks and hazards that may result in state liability
60 for tortious conduct. It shall designate the agent or agents of record
61 and shall select the companies from whom insurance coverage and
62 surety bonds shall be purchased. Notwithstanding any other provision
63 of the general statutes, including without limitation sections 38a-707
64 and 38a-825, it shall have full authority to negotiate either a
65 commission or fee structure to compensate the agent or agents of
66 record for services performed. It shall also have full authority to retain
67 consulting firms and to negotiate their fee compensation for services
68 performed. Any refund, dividend or other payment from any
69 insurance company in connection with insurance for the state shall be
70 returned to the [Comptroller] Department of Administrative Services
71 for deposit in the General Fund. The board shall establish
72 specifications for each contract of insurance and shall request bids for
73 each such contract through the agent of record. Each such contract
74 shall be for a specified period of time.

75 Sec. 5. Subsection (a) of section 5-155a of the 2012 supplement to the
76 general statutes is repealed and the following is substituted in lieu
77 thereof (*Effective from passage*):

78 (a) The general administration and responsibility for the proper

79 operation of the state employees retirement system is vested in a single
80 board of trustees to be known as the Connecticut State Employees
81 Retirement Commission. Notwithstanding the provisions of section 4-
82 9a, the Retirement Commission shall consist of the following: (1) The
83 Treasurer or a designee, who shall be a nonvoting ex-officio member;
84 (2) the Comptroller or a designee, who shall be a nonvoting ex-officio
85 member; (3) six trustees representing employees who shall be
86 appointed by the bargaining agents in accordance with the provisions
87 of applicable collective bargaining agreements. The trustees
88 representing employees shall not be members of the same bargaining
89 unit. The trustees representing employees shall serve three-year terms;
90 ~~[(3)]~~ (4) six management trustees who are members of the state
91 employees retirement system, who shall serve three-year terms [. The
92 management trustees] and shall be appointed by the Governor; ~~[(4)]~~ (5)
93 two actuarial trustees who are enrolled actuaries and Fellows of the
94 Society of Actuaries. One actuarial trustee shall be nominated by the
95 management trustees and one shall be nominated by the trustees
96 representing employees. The Governor shall appoint the actuarial
97 trustees for three-year terms; and ~~[(5)]~~ (6) one neutral trustee who shall
98 be chairman of the State Employees Retirement Commission. Such
99 neutral trustee shall be enrolled in the National Academy of
100 Arbitrators and shall be nominated by the employee and management
101 trustees and appointed by the Governor. The neutral trustee shall
102 serve a two-year term. If a vacancy occurs in the office of a trustee, the
103 vacancy shall be filled for the unexpired term in the same manner as
104 the office was previously filled. The trustees, with the exception of the
105 chairman and the actuarial trustees, shall serve without compensation
106 but shall be reimbursed in accordance with the standard travel
107 regulations for all necessary expenses that they may incur through
108 service on the commission. The chairman and the actuarial trustees
109 shall be compensated at their normal and usual per diem fee, plus
110 travel expenses, from the funds of the retirement system for each day
111 of service to the commission. Each trustee shall, within ten days after
112 appointment or election, take an oath of office that so far as it devolves
113 upon the trustee, the trustee will diligently and honestly administer

114 the affairs of the commission, and will not knowingly violate or
115 willingly permit to be violated any of the provisions of law applicable
116 to the state retirement system. Each trustee's term shall begin from the
117 date the trustee takes such an oath. The trustees shall appoint a
118 representative from among the municipalities that have accepted the
119 provisions of part II of chapter 113, who shall serve as a municipal
120 liaison to the commission, at the commission's pleasure and under
121 such terms and conditions as the commission may prescribe. Each
122 trustee shall be entitled to one vote on the commission. A majority of
123 the commission shall constitute a quorum for the transaction of any
124 business, the exercise of any power or the performance of any duty
125 authorized or imposed by law. The Retirement Commission shall be
126 within the Retirement Division of the office of the Comptroller for
127 administrative purposes only. The Comptroller [, ex officio,] shall be
128 the [nonvoting] secretary of the commission and shall provide
129 secretariat support to the commission.

130 Sec. 6. Subsection (a) of section 32-6 of the general statutes is
131 repealed and the following is substituted in lieu thereof (*Effective July*
132 *1, 2012*):

133 (a) The management and control of the operation and affairs of the
134 Connecticut building at the Eastern States Exposition at West
135 Springfield shall be in the charge of the Department of Economic and
136 Community Development. Maintenance of the land and building shall
137 be the responsibility of the Department of Administrative Services.
138 Coverage by fire and casualty insurance shall be the responsibility of
139 the [Comptroller] State Insurance and Risk Management Board in
140 accordance with the provisions of section 4a-20, as amended by this
141 act. The building and land shall be used by the Department of
142 Economic and Community Development, in cooperation with public
143 and private agencies, to conduct an educational exhibit which will
144 promote the agricultural, industrial, recreational and other physical
145 and natural resources of this state.

146 Sec. 7. Subsection (c) of section 3-123h of the general statutes is

147 repealed and the following is substituted in lieu thereof (*Effective July*
148 *1, 2012*):

149 (c) On or before [March 30, 2012] April 30, 2013, and annually
150 thereafter, the State Comptroller shall report, in accordance with the
151 provisions of section 11-4a, to the joint standing committee of the
152 General Assembly having cognizance of matters relating to
153 appropriations and the budgets of state agencies and the Secretary of
154 the Office of Policy and Management on the status of the flexible
155 spending account programs. Each such report shall include, but not be
156 limited to: (1) The number of employees enrolled in such programs, (2)
157 the administrative costs of such programs, (3) the amount of forfeitures
158 in such programs, and (4) the effect of the transfers permitted under
159 subsections (a) and (b) of this section on the Employers Social Security
160 Tax account.

161 Sec. 8. Section 3-115d of the general statutes is repealed. (*Effective*
162 *from passage*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	3-115e
Sec. 2	<i>July 1, 2012</i>	4-36
Sec. 3	<i>July 1, 2012</i>	4-158(d)
Sec. 4	<i>from passage</i>	4a-20
Sec. 5	<i>from passage</i>	5-155a(a)
Sec. 6	<i>July 1, 2012</i>	32-6(a)
Sec. 7	<i>July 1, 2012</i>	3-123h(c)
Sec. 8	<i>from passage</i>	Repealer section

GAE *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note***State Impact:*** None***Municipal Impact:*** None***Explanation***

The bill does not result in a fiscal impact to the Office of the State Comptroller or to the Department of Administrative Services (DAS) as it eliminates a policy board, modifies various monitoring and reporting requirements and transfers certain responsibilities to DAS.

The Out Years***State Impact:*** None***Municipal Impact:*** None

OLR Bill Analysis**sSB 255*****AN ACT CONCERNING REVISIONS TO STATUTES CONCERNING THE COMPTROLLER.*****SUMMARY:**

This bill makes unrelated changes affecting the statewide accounting and personnel system (CORE-CT) and the comptroller. Concerning CORE-CT, the bill requires the comptroller to report biennially, rather than annually, on its status to the governor and General Assembly. It also eliminates the CORE-CT policy board, which is responsible for maintaining the constitutional and statutory independence of the legislative, executive, and judicial branches with respect to system implementation and operation.

The bill transfers from the comptroller to the (1) Department of Administrative Services, responsibility for (a) making payments of \$7,500 or less that the claims commissioner orders for immediate disbursement and (b) receiving and depositing in the General Fund refunds, dividends, and other payments the state gets from insurance companies in connection with state insurance and (2) State Insurance and Risk Management Board, responsibility for covering fire and casualty insurance for the Connecticut building at the Eastern States Exposition (Big E).

The bill also:

1. increases, from \$1,000 to \$5,000, the threshold value of personal property in an agency's custody that it must annually inventory and report to the comptroller;
2. specifies that the comptroller is a nonvoting, ex-officio member of the Connecticut State Employees Retirement Commission,

thus codifying existing practice and his existing role as commission secretary, and authorizes him to have a designee; and

3. requires the comptroller to annually report by April 30, rather than March 30, on the state employee Flexible Health Care Spending Account (FSA) program.

Finally, the bill makes technical changes.

EFFECTIVE DATE: Upon passage, except for the provisions on claims commissioner payments, the Big E, the state personal property inventory, and FSA program reporting, which are effective July 1, 2012.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 15 Nay 0 (03/21/2012)